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Attorney for Debtor

UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF CALIFORNIA

In re:)	Case No. 11-39335-C-11
)	
ROBERT A. COOK,)	
)	
)	
)	DATE: October 19, 2011
)	TIME: 10:00 A.M.
Debtor.)	DEPT: C - COURTROOM 35
)	

DEBTOR'S SECOND STATUS REPORT

Debtor, ROBERT A. COOK, hereby submits to the Court his
Second Status Report, as follows:

Since the filing of the Debtors Preliminary Status Report
and the hearing thereon, the following changes have
occurred.

1. Debtor has been engaged in ongoing negotiations to
avoid the foreclosure of the Le Rivage Hotel and associated
properties. The current date set for a trustee's sale is
Friday, October 21, 2011. Debtor is hopeful and optimistic
that a further postponement of the sale will occur, and
believes that a resolution of the default may occur as early
as October 31, 2011. Current negotiations with a third party

1 unrelated to the Debtor or to any existing investors
2 contemplates a note sale by One West Bank, together with a
3 release of Debtor's personal guarantee (now approximately
4 \$30 Million, with an appraised value of the property around
5 \$12 Million) It is contemplated that the buyer will receive
6 approximately a 75% equity position in the venture, thereby
7 eliminating any payments on the first deed of trust. There
8 is some probability that the investor will also contribute
9 additional cash to assist in paying other debts and to
10 improve the profitability of the hotel/marina venture. The
11 hotel receipts, which are being collected by a State Court
12 appointed receiver are at least sufficient to pay operating
13 costs at this time, so debt service relief should create a
14 positive cash flow.

15 2. Bob Cook Company, LLC has listed for sale the 3
16 acres of unimproved property situated at 7411 Fair Oaks
17 Blvd., Carmichael, California. There have been interested
18 prospective purchasers, and Debtor believes a sale will be
19 concluded soon at or near the \$1.5 Million asking price.
20 There are 2 deeds of trust, totaling approximately \$567,000,
21 so proceeds to Bob Cook Company, LLC (after costs and
22 commissions) are estimated to be 75% of about \$858,000 (or
23 approximately \$644,000).

24 3. Debtor is in the process of entering into a
25 contingency fee contract with E. John Vodonick, Esq., which
26 will require application for appointment of Mr. Vodonick
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1 (who is a current unsecured creditor of the Debtor), as
2 special counsel. The contemplated litigation involves a
3 claim against Debtor's brother for fraudulent concealment or
4 destruction of evidence concerning the disposition of
5 Debtor's mother's testate estate. Mr. Vodonick represented
6 Debtor in previous litigation over the estate, and, with
7 newly-discovered evidence, believes, as does the Debtor,
8 that a successful claim for millions of dollars can be
9 successfully litigated.

10 4. Although Debtor is willing to consider the sale of
11 his interests in Kings Professional Basketball Club (the
12 entity which holds a 7% interest in the limited partnerships
13 that own the Sacramento Kings and the [former] Arco Arena),
14 Debtor believes that any such sale is not feasible at this
15 time for several reasons, including:

- 16 a. The sale value of the team is not optimal at this
17 time, in light of the current disputes in the NBA;
18 the suspension of a league decision to require the
19 Kings to stay in Sacramento or allow the team to
20 be moved elsewhere, depending upon the status of
21 construction of a downtown stadium by next March;
22 and the limitations imposed by the league rules as
23 regards who may own an interest in a team
24 franchise; and
25 b. The conflicting claims being made by OMNI
26 Financial (\$13 Million) and by Traynor Marina
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1 Investors (\$1.1 Million), each asserting that it
2 has a lien against Debtor's interest in KPBC.
3 These conflicting claims will likely have to be
4 litigated in order to establish if any valid liens
5 exist, and to what extent and in what priority.

6 5. Creditor TRAYNOR MARINA INVESTORS has filed a
7 Motion to Appoint a Chapter 11 Trustee. Debtor and several
8 creditors have opposed the Motion. The matter is set to be
9 heard on October 25, 2011.

10 6. Debtor has filed Monthly Operating Reports for the
11 months of August 2011 (which was filed late) and September
12 2011 (filed timely).

13 7. As of this time, Debtor has as yet been unable to
14 formulate a Plan and Disclosure Statement due to the present
15 uncertainties concerning the disposition of its assets
16 (particularly the Hotel and the land in Carmichael).

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19 LAW OFFICES OF DANIEL S. WEISS
20 Attorney for Debtors

21 Dated: October 17, 2011 By: /s/ Daniel S. Weiss
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